

BASS, BERRY & SIMS, PLC

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

R. DALE GRIMES
TEL: (615) 742-6244
FAX: (615) 742-2744
EMAIL: dgrimes@bassberry.com
www.bassberry.com

315 DEADERICK STREET, SUITE 2700
NASHVILLE, TENNESSEE 37203-4702
(615) 742-6200

KNOXVILLE OFFICE
1700 RIVERVIEW TOWER
KNOXVILLE, TN 37901-1509
(423) 521-6200

MEMPHIS OFFICE
100 PEABODY PLACE, SUITE 950
MEMPHIS, TN 38103
(901) 312-9100

REGULATORY AUTH.

01 MAY 8 PM 1 27

OFFICE OF THE

EXECUTIVE SECRETARY
May 8, 2001

VIA HAND DELIVERY

Mr. K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

***Re: Joint Petition of Crockett Telephone Company, Inc., Peoples' Telephone Company, West Tennessee Telephone Company, Inc., and the Consumer Advocate Division of the Office of the Attorney General for the Approval And Implementation of Earnings Review Settlement
Docket No. 99-00995***

Dear Mr. Waddell:

Enclosed please find an original copy and thirteen (13) photocopies of a Memorandum of Understanding between the TEC Companies and AT&T to resolve the issues raised by AT&T's Petition for Intervention in the above-referenced docket.

Best regards.

Very truly yours,



R. Dale Grimes

RDG/gci

Enclosures

cc: Mr. Garry Sharp
Richard Collier, Esq.
Timothy C. Phillips, Esq.
Valerius Sanford, Esq.
Mr. Gregory Eubanks
Mr. Thomas W. Ott

MEMORANDUM OF UNDERSTANDING

AT&T Communications of the South Central States, Inc. ("AT&T"), and Crockett Telephone Company, Inc., Peoples Telephone Company, and West Tennessee Telephone Company, Inc. (the "TEC Companies"), in consideration of the mutual promises of the parties contained herein, agree as follows:

1. The TEC Companies agree to file for approval with the Tennessee Regulatory Authority ("TRA"), all proposed tariffs required to reduce the access charge rates for Transport Interconnection Charge ("TIC"), Carrier Common Line Charge ("CCL"), and DA Surcharge. The proposed tariffs will provide that as of January 1, 2003, the rates for TIC, CCL, and DA Surcharge will be zero, and that the rates for TIC, CCL, and DA Surcharge will be reduced by 25% of the rates in effect as of the date of this Memorandum of Understanding on each of the following dates: July 1, 2001, January 1, 2002, July 1, 2002 and January 1, 2003, in order to reduce said rates to zero by January 1, 2003.
2. AT&T will seek and agree to the entry of a pre-trial order staying or holding in abeyance pending approval of such tariffs, all discovery requests it filed in TRA Docket No. 99-00995. Pending such stay, AT&T will also cease all activities and efforts to oppose the Joint Petition of the TEC Companies and the Consumer Advocate Division of the Attorney General's office for the approval and implementation of the Earnings Review Settlement for the years 1999 through 2001, as filed with the TRA in Docket No. 99-00995, subject to changes agreed to herein.
3. In the event the TRA does not approve the tariffs described in paragraph 1 herein, the parties' obligations set forth in paragraphs 1 and 2 herein shall terminate.
4. Upon approval of the tariffs described in paragraph 1 herein, AT&T agrees that its Petition filed with the TRA on December 10, 1999, as well as its Petition for Intervention filed with the TRA on January 14, 2000, both of which were consolidated and granted by the TRA in Docket No. 99-00995 by Order issued March 29, 2000, shall be automatically withdrawn.

DATED this 30th day of March, 2001.

Crockett Telephone Company, Inc.
Peoples Telephone Company, and West
Tennessee Telephone Company, Inc.

By: 

AT&T Communications of the South
Central States, Inc.

By: 
GARY SHARP